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Federal Communications Commission
Office of Secretary

March 5, 1998

EX PARTE

Ms. Magalie Roman Salas
Secretary
Federal Communications Commission
1919 M Street, NW
Room 222
Washington, D.C. 20554

Re: CC Docket No. 96-128 -- ANI Info Digit Requirements for Per-Call Compensation

Dear Mr. Caton:

WorldCom, Inc. ("WorldCom") hereby files this ex parte letter concerning the temporary waiver adopted in this proceeding by the Common Carrier Bureau ("Bureau") in October 1997, and which is set to expire on March 9, 1998. WorldCom is aware of a steady stream of ex parte filings submitted in this proceeding concerning the provision of payphone-specific info coding digits by incumbent local exchange carriers ("ILECs"). While WorldCom does not believe that important public policy issues such as payphone compensation should be debated and decided in this haphazard, behind-the-scenes fashion, the flawed and potentially damaging viewpoints being expressed in some of these filings -- on the very eve of the expiration of the Bureau's temporary waiver -- compels WorldCom to submit this brief letter in response.

As the Bureau is well aware, WorldCom has steadfastly opposed the Bureau's original decision to grant a temporary waiver of the ILECs' obligation to transmit payphone-specific info coding digits as part of ANI. WorldCom believes that waiver decision was unsupported by record evidence, based on erroneous reasoning, and left interexchange carriers ("IXCs") in a completely untenable business situation with respect to their end user and carrier customers. Nonetheless, WorldCom has taken the Bureau at its word that the temporary waiver would be lifted on March 9, 1998, and has stood ready to comply with the Commission's payphone compensation rules on that date.

Now several ILECs have suggested in recent ex parte filings that their obligation to pass payphone-specific info coding digits via ANI beginning on March 9 is not written in stone. The ILECs raise two primary arguments, both of which are incorrect and represent further transparent efforts on the ILECs' part to avoid their obligations.

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First, some ILECs apparently are of the opinion that IXCs are under some duty to formally "order" flex ANI service, and that their failure to do so means the ILECs need not, and will not, "provide" required coding digits. WorldCom is unable to find any support for this position anywhere in the Commission's orders or rules, nor is such a position even bound by commonsense. It is the PSPs, not the IXCs, which must provide payphone coding digits, and which must then pay the ILECs for their role in ensuring the digits are transmitted. Indeed, the ILECs have filed federal tariff transmittals containing such PSP charges. IXC payors have no affirmative obligation other than to recognize the digits the PSPs must deliver, and certainly are not required to order any access services (e.g., flex ANI) from the ILECs. Nonetheless, to clear up any confusion on this point, WorldCom hereby announces it is, and has been, prepared to receive payphone-specific info coding digits from the ILECs, and plans to do so beginning March 9th.

Second, several ILECs have submitted papers in the record containing statements that, in at least some cases, they still will be unable to meet the Commission's March 9th deadline for passing info digits via ANI. This is completely unacceptable. The per call compensation plan adopted by the Commission is premised on the assumption that compensation rates will ultimately be determined by location owners who will be under market pressure to set rates that payphone users and toll free service subscribers will tolerate. The entire plan is dependent on the ILECs providing to PSPs the service they need to provide payphone-specific info coding digits as part of the payphone ANI. Nonetheless, during this temporary waiver period, when the ILECs and PSPs have been excused from compliance with the Commission's rules, IXCs still have been required to pay compensation. This is despite the unassailable fact that payphone blocking from the affected phones has been rendered impossible, and WorldCom has lost its ability to pass through its payphone compensation expenses in a timely manner. Further, WorldCom cannot implement multiple treatments of ANI "07" calls. As a result, even a geographically limited waiver will harm WorldCom to the same degree as the blanket temporary waiver now does.

WorldCom once again asks the Bureau to stand by its waiver decision, and refuse to extend the current period of ILEC noncompliance with the signalling requirement. Should the Bureau fail to stand by its earlier decision, it must at the same time excuse carriers such as WorldCom from paying compensation on calls from payphones which do not have the proper signalling in place. This action would both protect the carrier payors and give the ILEC PSPs the proper financial incentives to complete their obligations; in turn, independent PSPs affected by ILEC delays could look to the ILECs for any resulting damages. Further, there is no new petition for waiver now pending before the Commission, so there is no basis in law or commonsense for the Commission to do anything other than rule on the merits of the original waiver requests. However, should the Bureau extend the temporary waiver, based (once again) on the shoddy evidence before it, without at the same time relieving carriers of their payment obligations, WorldCom will be compelled to refuse to pay compensation to payphone owners whose phones do not deliver the payphone coding digits required by the Commission.

Respectfully submitted,

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cc: Ms. Mary Beth Richards
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